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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/769,036	01/24/2001	Bea Calo	1991-00301	5934

7590 05/26/2010

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ART UNIT	PAPER NUMBER
3691	

MAIL DATE	DELIVERY MODE
05/26/2010	PAPER

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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 09/769,036
Filing Date: January 24, 2001
Appellant(s): CALO ET AL.

Nick P. Patel
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 2/22/2010 appealing from the Office action mailed 6/25/2009.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

5,424,938	Wagner et al.	06-1995
6,029,146	Hawkins et al.	02-2000
6,014,643	Minton	01-2001

20020032642	Chichilnisky	03-2002
20030208440	Harada et al	11-2003

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 3, 4, 6, 7, 11, 13, 26 and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wagner et al (USPN 5424938) in view of Hawkins et al (USPN 6029146) as discussed in the previous office action mailed on June 1, 2006 (as affirmed by the BPAI mailed

on July 20, 2007), in view of Minton (USPN 6014643) and further in view of Chichilnisky (USPAP 20020032642).

Re claims 3, 4, 6, 7, 11, 13, 26, 29 and 46: Wagner and Hawkins combination teaches the limitations of these claims except wherein, as a result of detecting a corporate action pertaining to one or more open transaction orders, the computerized executing affiliate transfers one or more messages to the global hub, said messages containing information pertaining to said open transaction orders affected by the corporate action; wherein, as a result of receiving said messages, the global hub forwards at least one of the messages to the computerized introducing affiliate, said at least one of the messages contains information pertaining to open transaction orders placed by said introducing affiliate.

Chichilnisky teaches the concept of detecting a corporate action pertaining to portfolios, the computerized executing affiliate transfers one or more messages to the global hub, said messages containing information pertaining to said portfolios affected by the corporate action; wherein, as a result of receiving said messages, the global hub forwards at least one of the messages to the computerized introducing affiliate, said at least one of the messages contains information pertaining to portfolios of said introducing affiliate (paragraphs 0021, 0054-0061, 0087, 0104-0105, 0131).

Minton teaches the concept of detecting a corporate action (dividend payout) pertaining to limit order (col. 11, lines 20-25). Not checking the “do not reduce” field will cause the system to automatically adjust the limit order as a result of corporate action (dividend payout).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Wagner and Hawkins combination to include the features as taught by Chilchilnisky and Minton for the obvious reason of alerting the introducing affiliate of the corporate action so that appropriate action can be taken by the introducing affiliate on detecting such corporate action.

Claims 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Wagner et al (USPN 5424938) in view of Hawkins et al (USPN 6029146) in view of Harada et al (USPAP 20030208440) as discussed in the previous office action mailed on June 1, 2006 (as affirmed by the BPAI mailed on July 20, 2007), in view of Minton (USPN 6014643) and further in view of Chichilnisky (USPAP 20020032642).

Re claim12: This claim recites similar missing limitations as claim 3 and is similarly addressed by the Minton and Chichilnisky references under the same rationale.

Claims 21-22 and 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hawkins et al (USPN 6029146) in view of Harada et al (USPAP 20030208440) as discussed in the previous office action mailed on June 1, 2006 (as affirmed by the BPAI mailed on July 20, 2007), in view of Minton (USPN 6014643) and further in view of Chichilnisky (USPAP 20020032642).

Re claims 21-22 and 24-25: These claims recite similar missing limitations as claims 3 and are similarly addressed by the Minton and Chilchilnisky references under the same rationale.

(10) Response to Argument

The Examiner summarizes the various points raised by the Appellant and addresses them individually.

A. Rejection of claims 3, 4, 6, 7, 11, 13, 26, 29 and 46 under 35 U.S.C. § 103(a) as being unpatentable over Wagner, Hawkins, Minton and Chichilnisky.

Regarding independent claims 3 (representing claim group), Appellant asserts Chichilnisky fails to teach the claim limitation "wherein, as a result of detecting a corporate action pertaining to one or more transaction orders, the computerized executing affiliate transfers one or more messages to the global hub, said messages containing information pertaining to said open transaction orders affected by the corporate action; wherein, as a result of receiving said messages, the global hub forwards at least one of the messages to the computerized introducing affiliate, said at least one of the messages contain information pertaining to open transaction orders placed by said introducing affiliate" (see Appeal Brief, pages 15-17).

In Response: Examiner respectfully disagrees with Appellant's assertions. Chichilnisky teaches these concepts. Chichilnisky teaches host system (depicted as the solid diamond (executing affiliate)) provide for intelligent capture of corporate action events (detecting a corporate action) (para 0059-0061, figs. 11 and 12). As a result of this capture, the host system transfers messages to subcustodians (global hub), said messages or alerts containing information

pertaining to the said corporate action (para. 0060). As a result of receiving said messages, the subcustodian (global hub) forwards said messages to the global custodian (computerized introducing affiliate) (albeit via a second host system (depicted by solid rectangles)). Examiner notes that Chichilnisky does not explicitly use the term "open transaction orders" as claimed. Examiner further notes that "open transaction order" is not defined in the disclosure. However, Chichilnisky teaches that corporate action event includes (dividends, splits, tenders, voluntary offers and rights issue) (fig. 11 and para. 0059). The board is directed to compare this to the Appellant's specification on page 32, line 16 through page 33, line 16 as admitted by Appellant in the appeal brief on page 7, second paragraph. It is clear from the disclosure that corporate action pertaining to one or more open transaction order includes dividend, splits, tenders, offers, right issues, all of which are explicitly taught by Chichilnisky.

Even going by Appellant's definition of open transaction order (see appeal brief, page 16, second paragraph), one of ordinary skill in the art would recognize that voluntary offers are not necessarily a post transaction order since the transaction has not yet occurred. Voluntary offers are in fact an order to "sell" a security that has not yet been completed (see appeal brief, page 16, second paragraph). Minton is cited to compliment Chichilnisky to show detecting a corporate action (dividend payout) pertaining to limit order (col. 11, lines 20-25). Not checking the "do not reduce" field will cause the system to automatically adjust the limit order as a result of corporate action (dividend payout) (compare to Appellant's specification on page 24, line 10, page 25, line 10, page 18, line 18 and page 34, line 11-22). Limit orders are open transaction orders.

For these reasons, Appellant's argument that Chichilnisky fails to disclose wherein, as a result of detecting a corporate action pertaining to one or more transaction orders, the

computerized executing affiliate transfers one or more messages to the global hub, said messages containing information pertaining to said open transaction orders affected by the corporate action; wherein, as a result of receiving said messages, the global hub forwards at least one of the messages to the computerized introducing affiliate, said at least one of the messages contain information pertaining to open transaction orders placed by said introducing affiliate, is not persuasive. Therefore claims 3, 4, 6, 7, 11, 13, 26, 29 and 46 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Wagner, Hawkins, Minton and Chichilnisky.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,
Olabode Akintola
/Olabode Akintola/
Examiner, Art Unit 3691
22 April 2010

Conferees:
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